



Montana Public Service Commission

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**PSC Evaluating Northwestern Energy's Plan to Secure Electricity;
Public Input Needed**

The Public Service Commission (PSC) is reviewing Northwestern Energy's (NWE's) most recent "Electricity Supply Procurement Plan" at a meeting April 16 and encourages the public to comment on this important document. Every two years the company must submit this plan detailing how they anticipate securing the electricity needed to serve its Montana customers in the future.

"If any Northwestern Energy customer is interested in whether most of their electricity will likely come from wind, natural gas, or other sources, they should review this plan and see where the company plans to get their electricity in the future," commented PSC Chair Greg Jergeson.

"I cannot stress the importance of public input enough," added Vice-Chair Doug Mood, "the Commission needs to hear from NWE's customers. The future cost of their electricity supply is going to be greatly influenced by the decisions that come out of this process. We need to know what NWE ratepayers' priorities are."

The proposed plan considers 50 different combinations of electricity sources including natural gas, wind, bio-mass, geothermal, solar, and coal. It then identifies three preferred combinations—known as portfolios—based on the anticipated lowest cost and risk. All preferred portfolios include a combination of wind, a generic regulation resource, and market purchases; two of the three also include natural gas resources. In considering the 50 options, NWE assumes a carbon tax will be implemented in the future, making coal a less appealing source than in the past because of its projected higher costs. Successful energy conservation by customers is also assumed in the plan, resulting in an estimated savings of 5 megawatts per year, cutting the forecasted annual energy growth almost in half. Text of the complete proposed plan is on NWE's web site at http://www.northwesternenergy.com/display.aspx?Page=Default_Supply_Electric.

The April 16 meeting is at the PSC office, 1701 Prospect Avenue in Helena, beginning at 10 am. It can be viewed live via the Internet at <http://psc.mt.gov/eDocs/#Calendars> and will also be archived for viewing later on the same site. Those wishing to submit electronic comments on the plan should go to the PSC website at <http://psc.mt.gov/Consumers/comments>. Hard copy remarks can be sent to the Commission at PO Box 202601; Helena, MT 59620-2601.

Made up of 5 elected commissioners, the PSC works to ensure that Montanans receive safe and reliable service from regulated public utilities while paying reasonable rates. Utilities regulated by the PSC generally include private investor-owned natural gas, electric, telephone, water, and sewer companies. In addition, the PSC regulates certain motor carriers, and oversees natural gas pipeline safety and intrastate railroad safety.